

DIVISION OF WATER RIGHTS

JUN 28 2001

RICHFIELD AREA

June 25, 2001

Terry Monroe
Assistant Regional Engineer
P.O. Box 563
Richfield, Utah 84701-0563

Dear Sir:

Over the past months, we have had several information exchanges with the Tuttle pertaining to the farm we purchased from them. Their position is that the water rights and the acreage farmed were always in compliance during the 23 years they operated the farm. They also claim this status was confirmed by an unnamed "ex-state engineer over water rights" and other experts. This was subsequently confirmed by the letter from the State of Utah stating the farm was in compliance as you and I discussed when we met in December.

The purpose of this letter is two fold. First, you mentioned that you had approached Bill prior to the sale of the farm on more than one occasion, to provide proof that the well in the NE corner of Section 1, T20S, R5W, SLB&M was a valid point of diversion. If you can remember the approximate dates you spoke with Bill and what transpired from those contacts it would be a great help to us in proving the farm was not in compliance at the time of the sale.

Second, we need to understand how the State confirmed compliance when there is ground that isn't certified to be irrigated. This includes the 200 acres that should have been taken out of production, which we discussed, and other ground that has never had water rights associated with it.

Bill claims it is not easy to acquire information about water rights from any source and "it takes a great deal of work and time to acquire the knowledge needed to use water rights to the fullest". I guess it is time for that to happen. Two water right attorneys have agreed with your letter from last December and now we are trying to get to the bottom of this before pursuing further actions with Tuttle.

Any more information you can provide in this matter will be greatly appreciated.

Sincerely yours,



David M. Ellsworth